DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval For Other Than Full and Open Competition

- Contracting Activity: Department of Veterans Affairs, NCO 18, Southern Arizona VA Health Care System (SAVAHCS). Trans Number: VA258-15-AP-4844
- 2. Nature and/or Description of the Action Being Processed: SAVAHCS requires the procurement of a service contract for the repair and maintenance on four, Thermo-Fisher -80°C Freezers. As the original equipment manufacturer (OEM), Thermo-Fisher Scientific is the only responsible company that is capable of providing Maintenance & Repair services in accordance with their OEM recommendations and warranty. This proposed action is a sole-source award to Thermo-Fisher Scientific.
- 3. Description of Supplies/Services Required to Meet the Agency's Needs: The Veterans Affairs Biorepository Brain Bank (VABBB) is a VA-funded cooperative effort headed by the VA Boston Healthcare System (VABHS), partnering with the Southern Arizona VA Healthcare System (SAVAHCS) in Tucson which serves as the tissue repository. SAVAHCS requires the procurement of a service contract for the maintenance and repair on four, Thermo-Fisher -80°C Freezers. These freezers are unique to SAVAHCS, as they hold the brain tissue from Veterans who have suffered from Amyotrophic Lateral Sclerosis (ALS). Repair and maintenance are reoccurring requirements and are needed promptly on occasions. With continuous tissue studies going on, the need for these freezers to be operational is vital to SAVAHCS Research Program.

ESTIMATED DOLLAR VALUE: \$30,000.00

Unit of Issue: 60 months

Period of performance: 5 years Required Delivery Date: Oct 2015

- 4. Statutory Authority Permitting Other than Full and Open Competition:
 - (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1.
- 5. <u>Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires</u> the Use of the Authority Cited Above (applicability of authority):
 - a. Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources: Thermo-Fisher Scientific is the original equipment manufacturer (OEM), and sole firm which is capable of providing preventative maintenance & repair. Non-OEM certified technicians are not authorized to perform preventative maintenance services on Thermo-Fisher Freezers.
 - b. These are "direct replacement" parts/components for existing equipment: Direct replacement parts may be required in performance of this work however, Non-OEM vendors do not have access to proprietary parts exclusive to Thermo-Fisher should repair be needed.

c. The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

All services performed to meet the standards of the OEM must be performed by Thermo-Fisher technicians that have been specifically trained by the manufacturer. SAVAHCS has invested significant resources into their Thermo-Fisher - 80°C equipment, and it is in the government's best interest to properly maintain and service the current equipment. Ensuring this equipment remains functional is imperative to SAVAHCS, and the Amyotrophic Lateral Sclerosis (ALS) research team.

6. <u>Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:</u>

Several vendors were contacted and A Sources Sought was posted on FBO for previous contracts, VA258-14-P-0304 and VA258-14-P-1142. All vendors informed Contract Specialist they would be unable to meet the requirements due to OEM only allowing authorized Thermo-Fisher technicians to provide maintenance and repair. Thermo-Fischer does not have a GSA schedule and no other vendors will not be able to meet this requirement.

7. <u>Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair</u> and Reasonable:

In accordance with FAR 13.106-3(a)(2)(i)(ii) and (vi), the quoted costs are considered fair and reasonable based on the following: Extensive market research was conducted with a search of similar services on FBO. As reflected on the Independent Government Cost Estimate (IGCE) the prices being quoted are the same or lower than their current parts and labor prices available in the commercial market. SAVAHCS has a current contract VA258-14-P-1142, with their commercial prices being in line with the quoted prices to put a follow-on contract in place. These prices are found to be fair and reasonable based on above research.

- 8. <u>Description of the Market Research Conducted and the Results, or a Statement of the Reasons</u>

 Market Research Was Not Conducted:
 - Sources Sought was published to FBO with no formal responses.
 - Thermo-Fisher is the sole source capable of providing the required replacement part and installation services.
 - No SDVOSB/VOSB's listed in VetBiz are capable of fulfilling all contract requirements.
 - Thermo-Fisher is the only entity found in similar markets that can provide the maintenance services.
 - Thermo-Fisher technicians are the only personnel authorized to provide maintenance on equipment.
- 9. Any Other Facts Supporting the Use of Other than Full and Open Competition: Thermo-Fisher has proprietary parts and service requirements for their specialized freezers. Also, they not provide third party certification, and will only equipment serviced by a factory technician.
- **10.** <u>Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:</u> No third party vendors have expressed interest at this time.

- 11. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required: Continuous market research will be conducted to ensure competition, and prevent any barriers to entry when OEM parts become available to third party vendors and Thermo-Fisher trainers Non-OEM Technicians.
- 12. <u>Requirements Certification</u>: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

Anthonny Yanez

Contract Specialist NCO 18

2 Sept 2015

Date

13. Approvals in accordance with FAR 6.304:

a. <u>Contracting Officer's Certification (required)</u>: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Daniel C. Thiel

Contracting Officer

Date